

**SOUTH CAROLINA PUBLIC SERVICE COMMISSION
STANDING HEARING OFFICER DIRECTIVE**

DOCKET NO. 2014-346-WS

Order No. 2017-61-H

OCTOBER 23, 2017

Standing Hearing Officer: David Butler

DOCKET DESCRIPTION:

Application of Daufuskie Island Utility Company, Incorporated for Approval of an Increase for Water and Sewer Rates, Terms and Conditions (Remand)

MATTER UNDER CONSIDERATION:

Ruling on Motion of Daufuskie Island Utility Company, Inc. (“DIUC” or “the Company”) to Reconsider Directives 2017-59-H and 2017-60-H (together, “the Directives”)

STANDING HEARING OFFICER’S ACTION:

Reconsideration is granted in part. However, an explanation is given below.

The Standing Hearing Officer continues to conclude, based on the language in the opinion of the Supreme Court (Daufuskie Island Utility Company v. South Carolina Office of Regulatory Staff, 803 S.E. 2d 280 (2017)) that the “de novo” terminology, and the reference to the Court “reversing and remanding for a new hearing as to all issues” clearly means that the Court intended that the Commission hold a new hearing on all issues in the case. Accordingly, the Commission’s discovery rules are clearly applicable.

DIUC’s counsel stated a preference for the pre-filing of testimony, hearing, and issuance of an Order in this case before the end of 2017, based on the questionable ability of the Company to obtain a continuing appeal bond during any pendency of the remand after the end of 2017, and also the expense of said bond. At the time of the issuance of the Directives, DIUC had no specific information to support its argument. The Company has now filed the affidavit of John F. Guastella and other materials, which support the difficulties of continuing its appeal bond after the end of 2017, and various financial consequences associated with that effort. Although counsel for the Intervenor argues vigorously against the principles espoused in the affidavit, he has submitted no countervailing affidavits or other evidence. Without such countervailing evidence, this Standing Hearing Officer believes that any ruling must be on the side of caution, and that all discovery, pre-filing of testimony, and the hearing should be accomplished as soon as possible, so that the Commission may have the opportunity to rule on this remanded matter prior to the end of 2017. The Company has already pre-filed its Direct Testimony and Exhibits. Accordingly,

the remaining pre-filing dates are modified as shown below. In establishing these dates, since an early hearing date has been granted as the Company has requested, it is incumbent upon DIUC to be prompt in responding to any discovery requests received from the other parties in this case. Specifically, it is incumbent upon DIUC to shorten its discovery response times as it has offered to do in order to effect the earlier hearing date.

In concert with the discussion above, the modified pre-filing and hearing schedule on remand shall be as follows for all remaining testimony:

- 1. All Other Parties of Record and the Office of Regulatory Staff (ORS) must prefile with the Commission 1 copy of direct testimony and exhibits of the witnesses they intend to present and serve the testimony and exhibits of the witnesses on all Parties of Record on or before November 15, 2017 (must be post-marked on or before this date).**
- 2. The Applicant filing Rebuttal Testimony must prefile with the Commission 1 copy of the testimony and exhibits of the witnesses it intends to present and serve the testimony and exhibits of the witnesses on all Parties of Record on or before November 27, 2017. (Rebuttal testimony and exhibits must be in the offices of the Commission and in the hands of the parties on this date).**
- 3. All Other Parties of Record and the ORS filing Surrebuttal Testimony must prefile with the Commission 1 copy of the testimony and exhibits of the witnesses they intend to present and serve the testimony and exhibits of the witnesses on all Parties of Record on or before December 1, 2017. (Surrebuttal testimony and exhibits must be in the offices of the Commission and in the hands of the parties on this date).**

Failure to comply with these instructions could result in proposed witnesses' testimony and exhibits being excluded in the subject proceeding, or other possible consequences.

The hearing in this matter shall begin on Tuesday, December 5, 2017 at 10:30 AM in the offices of the Public Service Commission of South Carolina, before the Commission.